SHRI JAIRAM RAMESH: Sir, I would like to know from the hon. Minister whether he is in a position to do something about grabbing of every sports authority post by politicians, whether it is Carom board or whether it is Kabbadi, or whether it is Kho Kho. Forget about cricket, because it is embarrassing to many of our colleagues present today. So forget about cricket. Take any sport today; it is grabbed by one political leader or the other. Is it not high time for the Ministry of Sports and for the Government to do something about this? When IT is not a politician, there will be a civil servant who will continue for 20 years and will not vacate the post. I think the Government need to do something about it. ....*(Interruptions)*...

MR. CHAIRMAN: This is the most important question. ....*(Interruptions)*.... Let him reply. ....*(Interruptions)*....

SHRI SUNIL DUTT: Sir, I am grateful to Jairam Rameshji that he has brought some life in the House by his question. I feel generally to a great extent. ....*(Interruptions)*.... I will give a complete list of the federations and the ones who are there for the last 15 or 20 years. At this time, I do not have the number. But I promise you that I will present to this House the list showing how many politicians, how many bureaucrats are there and for how many years they are ruling the federations. ....*(Interruptions)*....

श्री सभापति: प्लीज, आप बैठिए। विदेश मंत्री जी कुछ कह रहे हैं।

THE MINISTER OF EXTERNALAFFAIRS (SHRI K. NATWAR SINGH): Sir, I am only mentioning for the sake of what Jairamji has said that people do not give up after 20 years. I was elected the President of Tennis Federation of India and I gave up in four years. ....*(Interruptions)*....

*490. [The questioner (Shri Dilip Singh Judev) was absent. For answer *vide* page 36].

*491. [The questioner (Shri Ekanath K. Thakur) was absent. For answer *vide* page 40].

Indo-Chinese Cooperation

*492. SHRI GIREESH KUMAR SANGHI:
DR. T. SUBBARAMI REDDY:††

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

---

††The question was actually asked on the floor of the House by Dr. T. Subbarami Reddy.

(a) whether China has opened up telecom, aviation and power sectors to private entrepreneurs;

(b) if so, whether India has been able to capture Chinese market after this decision;

(c) whether both India and China have reached agreement on various issues in telecom and power sectors;

(d) if so, the total investment to be made by Indian companies in China; and

(e) to what extent it has been helpful for the Indian companies?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMMED): (a) to (e) A statement is laid on the Table of the House.

Statement

(a) The Chinese Government has recently announced some steps to further open up select sectors of the Chinese economy to foreign investment as per China's commitments to the WTO. A document issued by China's State Council in February 2005 provides that reform in the monopolistic industries will be deepened with further introduction of market competition mechanism in industries and sectors such as power, telecommunications and civil aviation.

(b) Opening up and liberalization of industrial sectors in China has created business opportunities for foreign companies in that country, including those from India.

(c) There is no separate agreement between India and China for market access to each other's telecom and power sectors.

(d) It is difficult to project the amount of total investment by Indian companies in China since this would depend on a variety of factors, including business considerations and priorities of the concerned companies.

(e) The commercial and economic relations between India and China have witnessed expansion and diversification in recent years. In this context, the Indian business and industry, with the support of Government, are making efforts to develop trade and investment linkages in different

areas, including power and telecom. The report of the India-China Joint Study Group, presented to the two Prime Ministers during the recently concluded visit of the Chinese Premier to India, has identified a series of measures related to trade in goods and services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China.

DR. T. SUBBARAMI REDDY: Sir, I would like to know whether the Chinese administration has asked its local branches to support private companies and operate projects in the sectors like power, telecommunication, rail and civil aviation. If so, I would like to know whether Indian companies have been preferred by China in the sectors of telecom, aviation and power.

SHRI E. AHAMMED: Sir, China has its own policy of permitting industries in their country. They have the catalogues of policies, which will, namely, encourage, permit, restrict and prohibit. In the power sector, we have now some companies, which are there in China. Similarly, Chinese companies are also having some projects in India. So, China will be encouraging. Some of our Indian companies are also working there and are having projects there. If the hon. Member wants — it is a very long list — I can pass on the list to him of the companies, which are having projects in China. It is a very big list. If the Chairman will allow, I will read it out or pass it on to the hon. Member.

DR. T. SUBBARAMI REDDY: Sir, India and China jointly account for close to $ 2 trillion in GDP and the two nations are offering a market between them of $ 2.5 billion and a combined intellectual capital of staggering proportion. Can one ask for a better framework for economic cooperation? If so, I would like to know whether recently the Prime Minister of China's visit to India has boosted the Indian companies and has offered all the facilities in China in these sectors. If so, to what extent is India hopeful of gaining the Chinese market and investing more in these sectors?

SHRI E. AHAMMED: Sir, on the question of the discussions held with our Prime Minister had with the Chinese Prime Minister a joint study group has presented this report and on the basis of the report a task force also has been constituted. So, that report is now under consideration and eleven MOUs have been signed between India and China during the visit of the Chinese Prime Minister. This will be identified in various areas and also necessary steps will be taken to implement such talks.

SHRI ASHWANI KUMAR: In the context of recent deepening of engagement between India and China, the clear focus of which was expanding economic cooperation, I would like to know whether we as a country have taken concrete steps to promote our competitiveness because at the end of the day India and China are going to be competitive as far as economic markets are concerned. Therefore, while it is a great achievement for us to have taken the first step ahead with China, I would like to know in the context of this question what is the concrete policy to make India competitive enough to take on China because that stage is going to come. China has already demonstrated its competitiveness and has had inroads into the Indian market. But from the answer given, I find that there is no corresponding inroads by the Indian industry apart from certain units in the Exclusive Economic Zones. So, Sir, I would like to know from the Minister if he would be kind enough to get us this information because a comprehensive policy of ensuring our competitiveness is crucial in the context of our relations with China.

SHRI E. AHAMMED: Sir, Indian companies have made their presence and also have shown their competitiveness, but, for the future, it is the duty of all of us to see that our project should have that competitiveness not only with China but also in the world market. Bilateral investment also shows that Government of India had started during the period January 1991 to August 1993. India has approved FDI of 231.4 million US dollars from China. However, according to figures given to us by the Chinese Ministry of Commerce, total quantum of Chinese investment in India till 2003 was about 20.6 million US dollars and also 97 Chinese proposals for the foreign collaboration have been approved mainly in the telecom, meteorological, transportation, electrical equipment and financial sector. China ranks 24th in the Indian list. According to the Chinese Ministry of Commerce, India had invested in 101 projects in China by the end of 2003. This all shows that we are also now-competing and being accepted by China but we are also making more efforts to have our investment and our projects in telecom and power and also in civil aviation and other sectors also. So, we are taking all the steps and let us hope we will be able to compete not only with China but also with the products and things in other countries.

SHRI ASHWANI KUMAR: The answer has nothing to do with my question. I ask the hon. Minister: is there a study group, is there a concerted, comprehensive policy in the making to make our economy competitive? These statistics are well known.

SHRI E. AHAMMED: Sir, steps are being taken only to make our economy competitive. When Rajiv Gandhi visited China in 1988, a joint Economic group (JSG) an economic group has been established. Later there was another group Joint Study Group (JSG). On the basis of the report filed by the joint study group the Government has now constituted a separate task force to address the problems and the areas identified. All these steps are leading to the competitiveness and taking necessary steps. This is what the hon. Member has very well suggested here.

SHRI MANOJ BHATTACHARYA: My supplementary relates to Part (b) of the reply. "Opening up and liberalisation of industrial sectors in China has created business opportunities for foreign companies in that country, including those from India." My question is whether you have ensured that China has stipulated very stringent measures so that the foreign direct investment or foreign participation can facilitate opening of the manufacturing sectors in China. Which will provide or which is providing tremendous employment potential for the Chinese unemployed youth. Have you learnt any lesson from them and are you going to emulate the same thing in India while facilitating the entry of FDI?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH): Sir, I am very glad that the House has shown such a great interest in our trade relations with China. I have a full document here and am quite willing to place it on the Table of the House. But, I briefly want to say that one of the aspects of the strategic partnership that we have signed with China is to enhance our relationship in the economic area. And, instrumentalities are being created to ensure increase in our trade, whether it be with regard to telecom, software, steel or whatever it is. Last year, our trade with China was US $ 13.6 billion. During the talks with the hon. Prime Minister, it was agreed that by 2010, it would be US $ 30 billion and we will take care of the concerns that you have raised.

*493. [The questioner (Shri Thanga Tamil Selven) was absent. For answer *vide* page 41].